



United States
Department of
Agriculture

Dairy Market Loss Assistance (DMLA III) Program

Background

Section 805 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, authorizes CCC to make supplemental payments to dairy producers who received payments under section 805 of Public Law 106-78 (DMLA-II) and to new dairy producers. The payments are to offset 35 percent of the reduction in 2000 milk prices from the past 5-year average, and USDA expects to make at least \$650 million in Dairy Market Loss Assistance (DMLA-III) payments to dairy producers. Payment calculations for all participants will be limited to the first 39,000 cwt. of production to better target small to medium-sized producers.

Eligible Producers

Under DMLA-III, payments will be made to producers who were paid under DMLA-II as well as new dairy producers who began production in calendar year 2000.

Payments to Dairy Operations

In an effort to expedite delivery of benefits (and eliminate the need for a signup for most of these particular producers), payments will be made to all dairy operations that were paid under DMLA-II at the

payment rate of \$0.6468 per cwt. Production on which payments were computed was based on the higher of 1997 or 1998 production, not to exceed 39,000 cwt. For new producers under DMLA-II, the production base period will be 1999 production, not to exceed 39,000 cwt.

However, all producers whose base production was less than 12 months for DMLA-II have the option to change their production base to their milk production during October 1, 1999 to September 30, 2000. For new producers under DMLA-III, the production base period will also be from October 1, 1999 to September 30, 2000. New producers and producers electing to change their production base will receive payments, at the same payment rate (\$0.6468 per cwt.), after regulations concerning new operations and operations with less than twelve months production are published in the Federal Register.

The maximum payment that any dairy operation can receive will be \$25,225. Average payments per operation are expected to be about \$8,300 for about 80,000 dairy operations in the United States.

Signup for NEW Producers and Producers with less than 12 Months of Production Base

A four-week signup will be held for new dairy operations and for dairy operations that were paid under DMLA-II for production representing less than twelve months.

The United States Department of Agriculture (USDA) prohibits discrimination in its programs on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation, or marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C., 20250-9410, or call (202) 720-5964 (voice and TDD). USDA is an equal employment opportunity employer.
